STATE BOARD OF ACCOUNTS 302 West Washington Street Room E418 INDIANAPOLIS, INDIANA 46204-2765

EXAMINATION REPORT

OF

GERMAN TOWNSHIP

MARSHALL COUNTY, INDIANA

January 1, 2004 to December 31, 2005

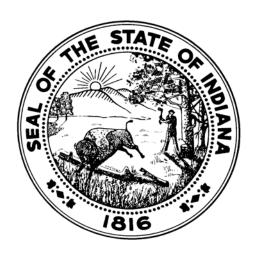




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OFFICIALS

OfficeOfficialTermTrusteeBen Baker01-01-03 to 12-31-06Chairman of the Township BoardDonald Meister01-01-04 to 12-31-06



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> Telephone: (317) 232-2513 Fax: (317) 232-4711 Web Site: www.in.gov/sboa

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF GERMAN TOWNSHIP, MARSHALL COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of German Township (Township), for the period of January 1, 2004 to December 31, 2005. The Township's management is responsible for the schedules. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the schedule of receipts, disbursements, and cash and investment balances and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the schedules referred to above present fairly, in all material respects, the cash transactions of the Township for the years ended December 31, 2004 and 2005, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

August 21, 2006

GERMAN TOWNSHIP, MARSHALL COUNTY SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES ALL GOVERNMENTAL FUND TYPES

As Of And For The Years Ended December 31, 2004 And 2005

	Ir	Cash and nvestments 01-01-04		Receipts	Dis	bursements	I	Cash and nvestments 12-31-04
Governmental Funds:		_		_				
Township	\$	114,965	\$	96,089	\$	68,840	\$	142,214
Dog		1,530		1,041		1,230		1,341
Township Assistance		74,537		31,195		3,987		101,745
Firefighting		128,250		19,192		46,413		101,029
Park and Recreation		69,207		17,858		16,000		71,065
Emergency Medical Services		112,240		115,613		115,000		112,853
Building or Remodeling		107,232	_	42,464		<u>-</u>		149,696
Totals	\$	607,961	\$	323,452	\$	251,470	\$	679,943
	Ir	Cash and nvestments 01-01-05		Receipts	Dis	bursements	I	Cash and nvestments 12-31-05
Governmental Funds:								
Township	\$	142,214	\$	117,361	\$	94,078	\$	165,497
Dog		1,341		1,218		1,041		1,518
Township Assistance		101,745		18,290		5,223		114,812
Firefighting		101,029		22,869		44,839		79,059
Park and Recreation		71,065		12,725		13,438		70,352
Levy Excess		-		7,464		-		7,464
Emergency Medical Services		112,853		135,858		122,096		126,615
Building or Remodeling		149,696		50,029		1,460		198,265
Totals	\$	679,943	\$	365,814	\$	282,175	\$	763,582

The accompanying notes are an integral part of the schedules.

GERMAN TOWNSHIP, MARSHALL COUNTY NOTES TO SCHEDULES

Note 1. Introduction

The Township was established under the laws of the State of Indiana. The Township provides the following services: public safety, health and social services, culture and recreation, and general administrative services.

Note 2. Fund Accounting

The Township uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the Township in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. Final settlement of taxes paid in 2003 and 2004 did not occur until February 2004 and February 2005, respectively. All property taxes collected by the County Treasurer and available for distribution during 2005 were distributed to the Township prior to December 31, 2005.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the Township to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

GERMAN TOWNSHIP, MARSHALL COUNTY EXIT CONFERENCE
The contents of this report were discussed on August 21, 2006, with Ben Baker, Trustee. Our examination disclosed no material items that warrant comment at this time.